



More About the Promise Act Grant Program

Round I: Accepting Applications March 26, 2024 – May 21, 2024

This competitive program provides grants of up to \$50,000 from the [State of Minnesota Department of Employment and Economic Development](#) (DEED) to businesses in communities that have been adversely affected by lack of access to capital, loss of population or an aging population, structural racial discrimination, civil unrest, or lack of regional economic diversification. Funding and eligibility guidelines were established in law during the 2023 Minnesota legislative session.

The Northland Foundation will deploy State of Minnesota funding in two rounds. The first round of this special grant opportunity is open from March 26, 2024, to May 21, 2024, at 5:00 p.m. Applicants will be notified via e-mail of their application status by mid-July 2024. The second round of funding will be announced on the Northland Foundation website and is anticipated to launch in spring 2025. Businesses may only receive a total of one grant.

Who Can Apply?

Eligible applicants must meet all the following criteria:

- Currently operational businesses with annual revenues between \$10,000 to \$750,000 as documented in 2021 and 2022 tax returns, If the business was established after 2021, have revenue of \$750,000 or less based on 2022 tax return.
- Eligible nonprofit organizations may also apply provided they earn 30% or more of revenues on an ongoing basis through non-tax-deductible sales or dues in a fee-for-service model as documented on their Forms 990.
- Primary business operations located in **Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, or St. Louis counties** or the **Tribal Nations of Bois Forte, Fond du Lac, Grand Portage, Leech Lake (District I), and Mille Lacs (District II)**.
- Have primary business operations located in the state of Minnesota, defined as those with a physical presence in Minnesota and at least 50% of employees based in Minnesota.
- An application does not guarantee funding for this competitive program. See Application Scoring Criteria section below for more information.

Grant Award Details and Uses

- Grant awards will be made according to the 2022 gross revenue level of applicant:
 - \$10,000 for business with gross revenue of more than \$10,000 but no more than \$100,000.
 - \$25,000 for businesses with gross revenue of more than \$100,000 but no more than \$350,000.
 - \$50,000 for businesses with gross revenue of more than \$350,000 but less than \$750,000.

- Grants do not require a match.
- Promise Act Grants received by eligible recipients may be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, equipment, and other similar expenses that occur in the regular course of business.
- Successful applicants must sign a subgrant agreement with the Northland Foundation prior to receiving funds.

Application Process

Applications are electronic and can be found using the link near the bottom of this document. Application questions in Microsoft Word are found at <https://northlandfdn.org/grants/special-grants.php> to help you think through your responses ahead of time if you wish. Elements required for the application include:

- Contact and business information.
- Description of financial hardship and plan for business success.
- Uploading the following documents:
 - Primary contact identification (unexpired Driver's License or ID card issued by a state or ID card issued by a federal, state, or local government agency or entity)
 - Proof of operating business address
 - 2021 and 2022 Business Tax Returns or Form 990 for nonprofit organizations

Application Scoring Considerations

Applicants may be evaluated based on several preference criteria*, including:

- **Financial Assistance:** Businesses that did not receive previous assistance of more than \$10,000 cumulatively from the State under the Minnesota Small Business Emergency Loan Program, Minnesota Small Business Relief Grants, County Relief Grants to Local Businesses, or Minnesota Movie Theater and Convention Center Grant program. This will be verified based on financial assistance records from the State.
- **Financial Hardship:** Businesses able to demonstrate financial hardship as defined by a 10% decline in gross revenue between 2021 and 2022 or a decrease in net income between 2021 and 2022. This will be determined based on tax data you submit in the application process.
- **Grant Use and Needs:** Preference may be given to applicants who thoughtfully describe how grant funds will support the success of the business and description of how the business intends to address identified barriers to growth.

****If qualified applications exceed funds available, a randomized sample may be used to select grant recipients.***

Technical Assistance

Confidential and no-cost technical assistance will be provided by the Northland SBDC (Small Business Development Center) to help organizations with the application process as needed. Schedule a no-cost virtual or in-person session and find other helpful Promise Act Grant Program resources on the Northland SBDC web page: <https://northlandsbdc.org/promise-act/>.

- Find available office hours and locations and schedule a no-cost technical assistance session, as well as what to bring along and what to expect during a session.
- Review a recorded webinar explaining more about the program and application.
- Find responses to Frequently Asked Questions about the program.

Program Timeline

March 26, 2024	Application period opens
May 21, 2024	Application period closes at 5:00 PM CDT
May 21 – July 2, 2024	Application evaluation period.
Mid-July, 2024	Decisions will be made on applications by mid-July and applicants will be notified by email.

Questions? If, after reviewing this Information Sheet and [FAQs](#), you still have questions about the application process, please [sign up for SBDC assistance](#).

For all other grant questions, email our Grant Program team at grants@northlandfdn.org.

[CLICK HERE TO START THE ONLINE APPLICATION](#)